



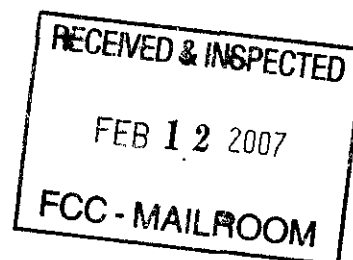
DOCKET FILE COPY ORIGINAL

North Kitsap School District

a great place to live and learn!

February 5, 2007

Federal Communications Commission
Office of the Secretary
445 – 12th Street, SW
Room TW-A325
Washington, DC 20554



To Whom It May Concern:

REQUEST FOR REVIEW:

CC Docket No. 96-45

CC Docket No. 02-6

SUBJECT: APPEAL OF USAC DECISION ON APPEAL DATED DECEMBER 18, 2006

RE: DENIAL OF FUNDING FOR YEAR 2006 APPLICATION #515690

FUNDING COMMITMENT DECISION LETTER DATED October 3, 2006

ADMINISTRATOR'S DECISION ON APPEAL – FUNDING YEAR 2006-2007

Company Name:	North Kitsap School District 400
Billed Entity Name:	North Kitsap School District 400
Billed Entity Number:	145267
Funding Year:	2006
Form 471 Number:	515690

REQUEST: Funding Authorization/Approval for Form 471 Number 515690. It is the belief of North Kitsap School District that the PIA office of USAC had all or almost all of the information submitted in our ITEM 21 Attachments to make the necessary decisions to fund this application.

The North Kitsap School District received a letter from USAC dated December 18, 2006. The letter stated "Administrator's Decision on Appeal – Funding Year 2006-2007." **We are formally appealing to the FCC this decision and request that all documentation be reviewed.**

Background: The North Kitsap School District received a Funding Commitment Decision Letter from the Universal Service Administrative Company dated October 3, 2006. In this Funding Commitment Decision Letter, funding was denied for all FRNs on application #515690. The reason given was that "Applicant has not provided sufficient documentation to determine the eligibility of this item."

No. of Copies rec'd 0
List Attached

An appeal was filed with USAC on December 1, 2006. The basis of the appeal was that USAC had a substantially complete application. That USAC denied solely on the basis of not responding to the questions submitted and that it was and **is the belief of North Kitsap School District that Application #515690 was substantially complete and the majority, if not all, of the application could have been funded based upon the original Item 21 attachments submitted.**

Attached is our letter to USAC dated December 1, 2006. In this letter, we do answer the questions that were posed in the request from the PIA office. The responses should clearly show that the information was available in order to make the necessary decisions to fund the application. **In the correspondence from the PIA office, it states "If you detect any errors in these items, you can make corrections during the next 15 days." Based on the text in the email, we understood that we were not required to respond. If no response was made, the application would have been processed. If the PIA office deemed that there were errors, that portion of the application should have been denied, not the entire application. Therefore, based on the third bullet below, the technology crisis that our district was in, I had to make a choice not to respond to the PIA request. I did not realize that not responding would cause denial of the entire application.**

Additional Information and Clarifying Comments:

- In the "Administrator's Decision on Appeal – Funding Year 2006-2007", the first bullet at the bottom of the page, it states that "PIA made initial contact with Bill Every, the applicant's authorized contact, on August 22, 2006,.....". It should be noted that in fact the first contact with Bill Every was on June 7, 2006. A message was left on his telephone by Nancy Fontana, PIA, at 7:34 a.m. PST requesting him to call her at 973-581-5082. Bill Every did in fact contact her by telephone. She stated that she was in the process of reviewing our application and that she wanted to confirm my contact information and wanted to know what my vacation schedule was, to be sure that I would be around to answer questions if needed. It should be noted that Bill Every was then NOT contacted again until August 22, 2006. A little over 2 ½ months from the initial contact.
- In addition, Nancy Fontana did contact Bill Every on September 6, 2006. He was on site at North Kitsap High School at the time. Nancy Fontana said she was checking to see if I had sent her the information she had requested. I explained to her that I had not and that I did not see any way I could meet the deadline and I asked her if there was a way to receive an extension. She said an extension was no problem. She stated that she had applicants all the time that needed extensions. She asked that I send her an email and I told her I would. The email requesting the extension was sent. At the conclusion of the telephone call, I did not believe, nor do I today, believe that there was a "hard and fast" deadline that I needed to adhere to. I do acknowledge that the text in the email stated there was a deadline.
- Over the course of the next several weeks, the amount of technology issues that developed were beyond normal management. Items that would have been processed in a timely fashion were not. The district had major technology failures including the loss of our entire web site and the loss of our database servers. 100% focus was to manage the crises that went on for several weeks.



North Kitsap School District

a great place to live and learn!

December 1, 2006

Letter of Appeal
Schools and Libraries Division – Correspondence Unit
100 S. Jefferson Road
P. O. Box 902
Whippany, NJ 07981

To Whom It May Concern:

SUBJECT: APPEAL TO USAC

***RE: DENIAL OF FUNDING FOR YEAR 2006 APPLICATION #515690
FUNDING COMMITMENT DECISION LETTER DATED October 3, 2006***

Billed Entity Name: North Kitsap School District 400
Billed Entity Number: 145267
Funding Year: 2006
Form 471 Number: 515690

The North Kitsap School District received a Funding Commitment Decision Letter from the Universal Service Administrative Company dated October 3, 2006. In this FCDL, funding was denied for all FRNs on application #515690. The reason given was that 'Applicant has not provided sufficient documentation to determine the eligibility of this item.'

This letter of appeal is submitted to show that sufficient documentation was provided in the original Item 21 attachments to determine eligibility, and to provide for funding of the submitted FRNs.

We are attaching copies of the original Item 21 attachment documents, along with clarifying points that may help to clear up any mistaken assumptions made by PIA during review of the application.

Thank you in advance for your review of the attached, and for the opportunity to clarify items included in our original submission that can now lead to funding of the FRNs on this application.

If you have any questions regarding any of the attached materials, or require any further clarification, please don't hesitate to contact me.

Sincerely,

Bill Every
Director, Technology and Information Services
bevery@nksd.wednet.edu (360) 779-8720 or (360) 509-9928

BEN: 145267
471#: 515690

CLARIFICATIONS REGARDING BLOCK 4:

The PIA reviewer requested documentation to support the 80% discount requested for Spectrum Community School (BEN 115705). While we were not able to provide that *data to the reviewer in the allotted time, a 60% discount percentage was validated by the NSLP data posted on the OSPI website. This data is also sent directly to PIA from the state e-rate coordinator each year.*

Spectrum Community School is listed on the official OSPI data with 63 of 131 (48%) students qualifying for NSLP. As this is an urban location, that translates to a 60% discount rate.

We will accept the revised discount of 60% for this site.

We realize that this will change our district discount percentage from 48% to 47%. We accept that change as well.

CLARIFICATIONS REGARDING BLOCK 5:

Funding Request #: 1429470
Service Provider: CenturyTel of Washington, Inc.
Item 21 Attachment: 'A'

We believe that the information included in the original Item 21 attachment is sufficient in order to review and fully fund this request.

PIA had a question regarding the inclusion of the Olympic ESD 114 and the Marine Science Program in the service detail, as these location were not included on Block 4 of our Form 471.

The Marine Science Program is no longer operational, and is not part of the fiber ring provided by CenturyTel, so they should be removed from Item 21. This removal will not impact the rate for the fiber ring, as the rate is the same, even if we disconnect a site. As long as NKSD maintains at least 10 nodes on the ring, the price is set at \$5,600 plus tax per month (\$5,654.74 – as indicated in the invoice sample provided in attachment A).

Please see letter of clarification from CenturyTel dated December 1, 2006 for confirmation and clarification of this point. It is included as attachment A.1.

Olympic ESD 114 is the Educational Service District for our region that serves many of the school districts in the area. We have a fiber connection to this site so that we are able to share data with the data processing center that is located there, but it is not a North Kitsap SD facility per se.

BEN: 145267
471#: 515690

The fiber ring connects the schools within NKSD to the ESD, but the ESD is not a recipient of service. They are simply the data center to which our schools must report information, and this fiber connection enables that to happen.

We believe that they are not an entity that needs to be included in our Form 471 Block 4, although PIA has their Billed Entity Number (145247), should it be determined that they need to be added.

Regardless, the ESD's connection to the ring does not increase the total invoice for services, per the agreement with CenturyTel and the attached letter A.1.

Funding Request #: 1461825
Service Provider: Sprint
Item 21 Attachment: 'B'

We believe that the information included in the original Item 21 attachment is sufficient in order to review and fully fund this request.

There were no questions raised by the PIA reviewer regarding this request, and we believe that the information does not require any further clarification, simply another review of the data provided.

Please see original attachment B for details.

Funding Request #: 1462264
Service Provider: Sprint
Item 21 Attachment: 'C'

We believe that the information included in the original Item 21 attachment is sufficient in order to review and fund this request for an adjusted amount.

PIA had a question regarding the inclusion of the NKHS Learning Center III in the service detail, as this location was not included on Block 4 of our Form 471.

The inclusion of this site in the detail was a clerical error, and we agree that the charges associated with this site (\$55.94/month) should not be funded. All other sites, however, have sufficient backup detail to be fully funded.

Please lower the request from \$4,220.77 per month to \$4,164.83 – changing our total pre-discount request from \$50,649.24 to \$49,977.96.

Please see original attachment C for details.

BEN: 145267
471#: 515690

Funding Request #: 1462349
Service Provider: CenturyTel of Washington, Inc.
Item 21 Attachment: 'D'

We believe that the information included in the original Item 21 attachment is sufficient in order to review and fund this request for an adjusted amount.

PIA had a question regarding the difference between the amounts listed on the summary page of attachment D, and the supporting invoices that were provided in the attachment. Below is a summary of those amounts:

<u>Site</u>	<u>Summary Page</u>	<u>Detailed Invoice</u>
<i>David Wolfle Elementary</i>	\$215.45	\$119.94
Richard Gordon Elementary	\$187.38	\$187.38
Kingston Junior High	\$363.11	\$363.11
<i>Spectrum Community School</i>	\$182.59	\$82.16
NKSD Pupil Transportation	<u>\$188.15</u>	<u>\$188.15</u>
Total:	\$1,136.68	\$940.74

A clerical error in listing the summary amounts for David Wolfle Elementary and Spectrum Community School led to the mistake. We agree that the correct monthly, pre-discount amount for these locations is \$940.74, as clearly supported by our original Item 21 Attachment D.

Please lower the request from \$1,136.68 per month to \$940.74 – changing our total pre-discount request from \$13,640.16 to \$11,288.88.

Please see original attachment D for details.

Funding Request #: 1462499
Service Provider: Qwest Communications Corporation
Item 21 Attachment: 'E'

We believe that the information included in the original Item 21 attachment is sufficient in order to review and fully fund this request.

The contract that was submitted with this request spells out the per minute charges for calls. Based on the 1,000 employees of the district making a very reasonable 15 minutes of phone calls per month, we calculated the total for 15,000 minutes of calls per month.

Using 4.2 cents per minute as the cost (per contract), multiplying by 15,000 minutes (per estimate in Item 21), the total pre-tax amount is \$630/month. Allowing for taxes and surcharges at 15% (our average amount for telephone services), that adds \$95,

BEN: 145267
471#: 515690

bringing the total to \$725. We then included a few additional dollars to cover incidental calling card charges or international calls, bringing the total to \$756/month.

We sincerely believe that the data included in attachment E provides the detail necessary to support this claim.

Please see original attachment E for details.

Funding Request #: 1462590
Service Provider: Verizon Wireless
Item 21 Attachment: 'F'

We believe that the information included in the original Item 21 attachment is sufficient in order to review and fully fund this request.

PIA had a question regarding the difference between the amount listed on the summary page of attachment F, and the supporting invoices that were provided in the attachment.

The total funding request was for \$3,500 per month for cellular service, while the attached invoices total \$2,480.19. As stated in the attachment 'The total amount of \$3,500 is to allow for minutes used above the allocation per cell phone.'

We believe that this supports our request for cellular service at the current level, plus the additional growth required to meet the ever-increasing needs of our staff.

At an absolute, bare minimum, we would expect to receive full funding on the \$2,480.19 monthly, but certainly believe that allowing for growth is within the rules of the program, and should be funded.

Please see original attachment F for details.

Funding Request #: 1462660
Service Provider: Sprint

We do not appeal this decision. The costs in this FRN are included in FRN 1462264, and as a result, this FRN should be cancelled/denied.

Funding Request #: 1463535
Service Provider: CenturyTel of Washington, Inc.

We do not appeal this decision. The costs associated with this FRN are for phone lines for a new school. Construction on that school is behind schedule, so we will not be requiring funding for this year.

USAC

Schools and Libraries Division
Correspondence Unit
100 South Jefferson Road
P.O. Box 902
Whippany, New Jersey 07981

TIME SENSITIVE MATERIAL

00043
Bill Every
NORTH KITSAP SCHOOL DIST 400
18360 CALDART AVE NE
POULSBO, WA 98370-8775



IMPORTANT REMINDERS & DEADLINES

Form 471 Application Number: 515690

Billed Entity Number: 145267

Name of Billed Entity: NORTH KITSAP SCHOOL DIST 400

YOUR NEXT STEPS IN THE APPLICATION PROCESS: Following are steps to assist you through the application process. Web page URLs are included to facilitate access to additional information on USAC's website.

REVIEW TECHNOLOGY PLANNING REQUIREMENTS - Program rules require a technology plan based on an assessment of needs and that those plans be approved before the start of services. See "Develop a Technology Plan" at <http://www.usac.org/sl/applicants/step02/> for information about technology plan requirements and approvals.

REVIEW CHILDREN'S INTERNET PROTECTION ACT (CIPA) REQUIREMENTS - CIPA compliance is required for requests for Internet Access, Internal Connections and Basic Maintenance discounts. For information about CIPA requirements and certifications, see "Children's Internet Protection Act (CIPA)" at <http://www.usac.org/sl/applicants/step10/cipa.aspx> for information about CIPA and its requirements.

FILE FORM 486 - You must notify USAC of the start of service, the name of your USAC-certified technology plan approver and your compliance with CIPA on Form 486. See "Begin Receipt of Services" on our website at <http://www.usac.org/sl/applicants/step10/>.

FORM 486 DEADLINE - The Form 486 must be postmarked no later than 120 days after the Service Start Date featured in the Form 486 Notification Letter or no later than 120 days after the date of the Funding Commitment Decision Letter, whichever is later. Use the "Deadlines" calculator on our website at <http://www.usac.org/sl/tools/deadlines> to calculate your Form 486 deadline.

INVOICE USAC - After eligible services have been delivered, invoice USAC to request reimbursement of approved discounts. For information about requesting reimbursement from USAC, see "Invoice USAC" on our website at <http://www.usac.org/sl/applicants/step11/>.

INVOICE DEADLINE - Invoices must be postmarked no later than 120 days after the last date to receive service - including extensions - or 120 days after the date of the Form 486 Notification Letter, whichever is later. Use the "Deadlines" calculator on our website at <http://www.usac.org/sl/tools/deadlines> to calculate your invoice deadline.

DOCUMENT RETENTION - Documents related to the receipt of discounts must be retained for at least five years after the last day of service delivered. For more information, see "Document Retention Requirements" on our website at <http://www.usac.org/sl/about/document-retention-requirements/default.aspx>.

OBLIGATION TO PAY NON-DISCOUNT PORTION/FREE SERVICES ADVISORY - Applicants are required to pay the non-discount portion of the cost of the products and/or services. Service providers are required to bill applicants for the non-discount portion. For further information, see "Obligation to Pay Non-Discount Portion" on our website at <http://www.usac.org/sl/applicants/step11/obligation-to-pay.aspx> and "Free Services Advisory" at <http://www.usac.org/sl/applicants/step06/free-services-advisory.aspx>.

SUSPENSION AND DEBARMENT - Persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the Schools and Libraries Program are subject to suspension and debarment from the program. More information and a current list of persons who have been suspended or debarred is posted in "Suspensions and Debarments" on our website at <http://www.usac.org/sl/about/suspensions-debarments.aspx>.

COMPLETE PROGRAM INFORMATION - including more information on these reminders - is posted to the Schools and Libraries area of USAC's website at www.usac.org/sl. You may also contact our Client Service Bureau using the "Submit a Question" link on our website, toll-free by fax at 1-888-276-8736 or toll-free by phone at 1-888-203-8100.



Universal Service Administrative Company
Schools & Libraries Division

FUNDING COMMITMENT DECISION LETTER
(Funding Year 2006: 07/01/2006 - 06/30/2007)

October 3, 2006

Bill Every
NORTH KITSAP SCHOOL DIST 400
18360 CALDART AVE NE
POULSBO, WA 98370-8775

Re: Form 471 Application Number: 515690
Billed Entity Number (BEN): 145267
Billed Entity FCC RN: 0001523711
Applicant's Form Identifier: NKSD-400-9#1

Thank you for your Funding Year 2006 application for Universal Service Support and for any assistance you provided throughout our review. The current status of the funding request(s) in the Form 471 application cited above and featured in the Funding Commitment Report(s) (Report) at the end of this letter is as follows.

- The amount, \$109,439.05 is "Denied."

Please refer to the Report on the page following this letter for specific funding request decisions and explanations. The Universal Service Administrative Company (USAC) is also sending this information to your service provider(s) so preparations can begin for implementing your approved discount(s) after you file Form 486 (Receipt of Service Confirmation Form). A guide that provides a definition for each line of the Report precedes the Report.

A list of Important Reminders and Deadlines is included with this letter to assist you throughout the application process.

NEXT STEPS

- Work with your service provider to determine if you will receive discounted bills or if you will request reimbursement from USAC after paying your bills in full
- Review technology planning approval requirements
- Review CIPA requirements
- File Form 486
- Invoice USAC using the Form 474 (service provider) or Form 472 (Billed Entity) - as products and services are being delivered and billed

TO APPEAL THIS DECISION:

If you wish to appeal a decision in this letter, your appeal must be received by USAC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and (if available) email address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the letter and the decision you are appealing:
 - Appellant name,
 - Applicant name and service provider name, if different from appellant,
 - Applicant BEN and Service Provider Identification Number (SPIN),
 - Form 471 Application Number 515690 as assigned by USAC,
 - "Funding Commitment Decision Letter for Funding Year 2006," AND
 - The exact text or the decision that you are appealing.

3. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal, including any correspondence and documentation.
4. If you are the applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are the service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

To submit your appeal to USAC by email, email your appeal to appeals@sl.universalservice.org. USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to USAC by fax, fax your appeal to (973) 599-6542.

To submit your appeal to USAC on paper, send your appeal to:

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
100 South Jefferson Road
P.O. Box 902
Whippany, New Jersey 07981

While we encourage you to resolve your appeal with USAC first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted in the Reference Area of our website. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

NOTICE ON RULES AND FUNDS AVAILABILITY

An applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Program. Applicants who have received funding commitments continue to be subject to audits and other reviews that USAC and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. USAC may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by USAC, the applicant, or the service provider. USAC, and other appropriate authorities (including but not limited to the FCC), may pursue enforcement actions and other means of recourse to collect improperly disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division
Universal Service Administrative Company

A GUIDE TO THE FUNDING COMMITMENT REPORT

A report for each funding request in your application is attached to this letter. We are providing the following definitions for the items in that report.

FORM 471 APPLICATION NUMBER: The unique identifier assigned to a Form 471 application by USAC.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by USAC to each Block 5 of your Form 471. This number is used to report to applicants and service providers the status of individual funding requests submitted.

FUNDING STATUS: Each FRN will have one of the following statuses:

1. "Funded" - the FRN is approved for support. The funding level will generally be the level requested unless USAC determined during the application review process that some adjustment is appropriate.
2. "Not Funded" - the FRN is one for which no funds were committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision Explanation." An FRN may be "Not Funded" because the request does not comply with program rules, or because the total amount of funding available for the Funding Year was insufficient to fund all requests.
3. "As Yet Unfunded" - a temporary status assigned to an FRN when USAC is uncertain at the time the letter is sent about whether sufficient funds exist to make commitments for requests for Internal Connections Other than Basic Maintenance or Basic Maintenance of Internal Connections at a particular discount level. For example, if your application included requests for discounts on both Telecommunications Services and Internal Connections, you might receive a letter with funding commitments for your Telecommunications Services funding requests and with an "As Yet Unfunded" status on your Internal Connections requests. You would receive one or more subsequent letters regarding the funding decisions on your Internal Connections requests.

CATEGORY OF SERVICE: The type of service ordered from the service provider, as shown on your Form 471.

FORM 470 APPLICATION NUMBER: The Form 470 Application Number associated with this FRN from Block 5, Item 12 of the Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by USAC to service providers seeking payment from the Universal Service Fund Programs. A SPIN is also used to verify delivery of services and to arrange for payment.

SERVICE PROVIDER NAME: The legal name of the service provider.

CONTRACT NUMBER: The number of the contract between the eligible party and the service provider, if a contract number was provided on your Form 471.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes, if a Billing Account Number was provided on your Form 471.

SERVICE START DATE: The Service Start Date for this FRN from Block 5, Item 19 of your Form 471.

CONTRACT EXPIRATION DATE: The Contract Expiration Date for this FRN from Block 5, Item 20b of your Form 471, if a contract expiration date was provided on your Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a for "site specific" FRNs only.

NUMBER OF MONTHS RECURRING SERVICE PROVIDED IN FUNDING YEAR: The number of months of service that has been approved for the funding year, for recurring services.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE RECURRING CHARGES: Eligible monthly pre-discount amount approved for recurring charges multiplied by number of months of recurring service approved for the funding year.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE NON-RECURRING CHARGES: Annual eligible non-recurring charges approved for the funding year.

PRE-DISCOUNT AMOUNT: Amount in Form 471, Block 5, Item 23I, as determined through the application review process.

DISCOUNT PERCENTAGE APPROVED BY USAC: The discount rate that USAC approved for this service.

FUNDING COMMITMENT DECISION: The total amount of funding that USAC has reserved to reimburse your service provider for the approved discounts for this service for this funding year. It is important that both you and your service provider recognize that USAC should be invoiced and that disbursement of funds will be made only for eligible, approved services actually rendered.

FUNDING COMMITMENT DECISION EXPLANATION: This entry provides an explanation of the amount in the "Funding Commitment Decision."

FCDL DATE: The date of this Funding Commitment Decision Letter (FCDL).

WAVE NUMBER: The wave number assigned to FCDLs issued on this date.

LAST ALLOWABLE DATE FOR DELIVERY AND INSTALLATION FOR NON-RECURRING SERVICES: The last date approved by the FCC for delivery and installation of eligible non-recurring services (e.g., equipment). (The last allowable date for delivery and installation of recurring services is always the last day of the fund year, that is, June 30, 2007 for Funding Year 2006.)

FUNDING COMMITMENT REPORT
Billed Entity Name: NORTH KITSAP SCHOOL DIST 400
BEN: 145267
Funding Year: 2006

Form 471 Application Number: 515690
Funding Request Number: 1429470
Funding Status: Not Funded
Category of Service: Internet Access
Form 470 Application Number: 430750000526323
SPIN: 143002590
Service Provider Name: CenturyTel of Washington, Inc.
Contract Number: N/A
Billing Account Number: 401317353
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2009
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$67,857.12
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$67,857.12
Discount Percentage Approved by the USAC: N/A
Funding Commitment Decision: \$0.00 - Insufficient documentation
Funding Commitment Decision Explanation: Applicant has not provided sufficient documentation to determine the eligibility of this item.

FCDL Date: 10/03/2006
Wave Number: 024
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

Funding Request Number: 1461825
Funding Status: Not Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 736580000526608
SPIN: 143002588
Service Provider Name: Embarq - United Telephone Co of the Northwest FKA
Contract Number: N/A
Billing Account Number: 3603946650-817 & 2853-072
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2010
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$40,164.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$40,164.00
Discount Percentage Approved by the USAC: N/A
Funding Commitment Decision: \$0.00 - Insufficient documentation
Funding Commitment Decision Explanation: Applicant has not provided sufficient documentation to determine the eligibility of this item.

FCDL Date: 10/03/2006
Wave Number: 024
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

FUNDING COMMITMENT REPORT
Billed Entity Name: NORTH KITSAP SCHOOL DIST 400
BEN: 145267
Funding Year: 2006

Form 471 Application Number: 515690
Funding Request Number: 1462264
Funding Status: Not Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 313480000566135
SPIN: 143002588
Service Provider Name: Embarq - United Telephone Co of the Northwest FKA
Contract Number: MTM
Billing Account Number: 360-779-8802
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$50,649.24
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$50,649.24
Discount Percentage Approved by the USAC: N/A
Funding Commitment Decision: \$0.00 - Insufficient documentation
Funding Commitment Decision Explanation: Applicant has not provided sufficient documentation to determine the eligibility of this item.

FCDL Date: 10/03/2006

Wave Number: 024

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

Funding Request Number: 1462349
Funding Status: Not Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 313480000566135
SPIN: 143002590
Service Provider Name: CenturyTel of Washington, Inc.
Contract Number: MTM
Billing Account Number: 300506058
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$13,640.16
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$13,640.16
Discount Percentage Approved by the USAC: N/A
Funding Commitment Decision: \$0.00 - Insufficient documentation
Funding Commitment Decision Explanation: Applicant has not provided sufficient documentation to determine the eligibility of this item.

FCDL Date: 10/03/2006

Wave Number: 024

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

FUNDING COMMITMENT REPORT
Billed Entity Name: NORTH KITSAP SCHOOL DIST 400
BEN: 145267
Funding Year: 2006

Form 471 Application Number: 515690
Funding Request Number: 1462499
Funding Status: Not Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 313480000566135
SPIN: 143001157
Service Provider Name: Qwest Communications Corporation
Contract Number: 1107440
Billing Account Number: Not known at this time.
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$9,072.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$9,072.00
Discount Percentage Approved by the USAC: N/A
Funding Commitment Decision: \$0.00 - Insufficient documentation
Funding Commitment Decision Explanation: Applicant has not provided sufficient documentation to determine the eligibility of this item.

FCDL Date: 10/03/2006

Wave Number: 024

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

Funding Request Number: 1462590
Funding Status: Not Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 313480000566135
SPIN: 143000677
Service Provider Name: Verizon Wireless
Contract Number: MTM
Billing Account Number: 464433974-01
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$42,000.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$42,000.00
Discount Percentage Approved by the USAC: N/A
Funding Commitment Decision: \$0.00 - Insufficient documentation
Funding Commitment Decision Explanation: Applicant has not provided sufficient documentation to determine the eligibility of this item.

FCDL Date: 10/03/2006

Wave Number: 024

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

FUNDING COMMITMENT REPORT
Billed Entity Name: NORTH KITSAP SCHOOL DIST 400
BEN: 145267
Funding Year: 2006

Form 471 Application Number: 515690
Funding Request Number: 1462660
Funding Status: Not Funded
Category of Service: Internet Access
Form 470 Application Number: 313480000566135
SPIN: 143002588
Service Provider Name: Embarq - United Telephone Co of the Northwest FKA
Contract Number: MTM
Billing Account Number: 360-779-5384
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$750.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$750.00
Discount Percentage Approved by the USAC: N/A
Funding Commitment Decision: \$0.00 - Insufficient documentation
Funding Commitment Decision Explanation: Applicant has not provided sufficient documentation to determine the eligibility of this item.

FCDL Date: 10/03/2006

Wave Number: 024

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

Funding Request Number: 1463535
Funding Status: Not Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 313480000566135
SPIN: 143002590
Service Provider Name: CenturyTel of Washington, Inc.
Contract Number: MTM
Billing Account Number: Not known at this time.
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$3,615.48
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$250.00
Pre-discount Amount: \$3,865.48
Discount Percentage Approved by the USAC: N/A
Funding Commitment Decision: \$0.00 - Insufficient documentation
Funding Commitment Decision Explanation: Applicant has not provided sufficient documentation to determine the eligibility of this item.

FCDL Date: 10/03/2006

Wave Number: 024

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

ATTACHMENT "A.1"

Clarifying Letter From CenturyTel

8102 Skansie Avenue
Gig Harbor, WA 98332-8415
Tel 800 201 4102



December 1, 2006

Mr. Bill Every
Director of Technology
North Kitsap School District
18360 Caldard Avenue NE
Poulsbo, WA 98370

Dear Mr. Every:

Per your request, we are providing clarifying information for account number 401317353 - Fiber Optic Network.

This is to clarify that the monthly fee of \$5,600 per month plus taxes is for the entire fiber optic network. This fee is for 10 to 14 connections. Therefore, if one is terminated, like the Marine Science Center, there is no change in the monthly fee.

Please let me know if you have additional questions.

Sincerely,

A handwritten signature in black ink that reads "Dan Roso". The signature is fluid and cursive, with a large initial "D" and a long horizontal stroke at the end.

Dan Roso
District Manager Area 1

ATTACHMENT "A"

Data lines for North Kitsap School District schools.

The pertinent information regarding 100 Mbps data connectivity is as follows:

Combined monthly fee for all sites - \$5,654.75

Location	Type	Provider
Vinland Elementary to N K H S 22104 Rhododendron Lane NW Poulsbo, WA 98370	100 MPBS Fiber	CenturyTel
Marine Science Program 18743 Front Street NE Poulsbo, WA 98370	100 MPBS Fiber	CenturyTel
Suquamish Elementary to NKHS 18950 Park Avenue NE Suquamish, WA 98392	100 MPBS Fiber	CenturyTel
Hilder Pearson Elementary to NKHS 15650 Central Valley Road NW Poulsbo, WA 98370	100 MPBS Fiber	CenturyTel
Breidablik Elementary to NKHS 25142 Waghorn Road NW Poulsbo, WA 98370	100 MPBS Fiber	CenturyTel
NKSD Maintenance & Operations 1365 Finn Hill Road NW Poulsbo, WA 98370	100 MPBS Fiber	CenturyTel
Spectrum Community School 9916 NE West Kingston Road Kingston, WA 98346	100 MPBS Fiber	CenturyTel
Richard Gordon Elementary 26331 Barber Cutoff Road Kingston, WA 98346	100 MPBS Fiber	CenturyTel
David Wolfle Elementary 27089 Highland Road NE Kingston, WA 98346	100 MPBS Fiber	CenturyTel
Kingston Junior High School 9000 NE West Kingston Road Kingston, WA 98346	100 MPBS Fiber	CenturyTel
Olympic ESD 114 105 National Avenue North Bremerton, WA 98312	100 MPBS Fiber	CenturyTel
NKSD Administrative Offices 18360 Caldart Avenue NE Poulsbo, WA 98370	100 MPBS Fiber	CenturyTel
North Kitsap High School 1780 NE Hostmark Street Poulsbo, WA 98370	100 MPBS Fiber	CenturyTel

See CentruyTel quote dated January 28, 2005 and a copy of the current invoice dated February 2, 2005 on next 2 page:

8102 Skansie Avenue
Gig Harbor, WA 98332-8415
Tel 800 201 4102



January 28, 2005

Bill:

CenturyTel is proposing 100MB Ethernet connectivity between twelve North Kitsap School District buildings. We have provided a monthly payment for the service over a five-year plan. Includes connectivity between the Bremerton ESD, Administration Building and all schools. The following assumptions have been made.

- All sites require 100MB Ethernet connections
- There will be a "Refresh" clause built into the original contract in order to accommodate any necessary technology upgrades over time.
- Delivery of service will be rolled-out over a six month period
- Customer will provide LAN equipment

Price - \$5,600.00, per month for life of the contract, 48 months

The school district will have the option of two additional 5 year renewals at the \$5,600.00 price.

No install fee.

The price also includes all monitoring fees.

The price includes the following locations.

- Breidablik Elementary School
- Gordon Elementary School
- Pearson Elementary School
- Suquamish Elementary
- Vinland Elementary School
- Wolfle Elementary School
- Kingston Junior High

- 2 -

January 28, 2005

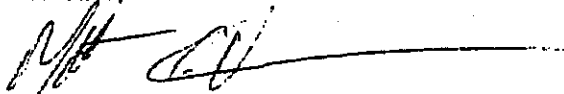
- North Kitsap High School
- Spectrum Community School
- NK Facility Building
- NK Administration
- Marin Science Center
- ESD 114 in Bremerton

CenturyTel is the 7th largest telephone company in the United States. Our National Headquarters is in Monroe, LA. Our Division Headquarters is in Gig Harbor, WA. CenturyTel provides everything from basic telephone service, PBX/Key equipment, Data equipment, Transport Circuits and of course high speed Ethernet services.

Over the past 4 years CenturyTel has been expanding their portfolio in the Ethernet services range and has instituted it with great effectiveness. An excellent example of this service is the Aberdeen School District, where all the schools in the district are connected via 100MB Ethernet VLAN. Don Laurence is our contact at Aberdeen School District (360-664-0311) if you should have any questions.

Upon acceptance final/formal contracts would be submitted to the district for approval.

Thanks,



Matthew Voss
Account Manager
CenturyTel

253-851-1293

matt.voss@centurytel.com



P.O. BOX 6001
MARION, LA 71260-6001

Account Name: NORTH KITSAP SCHOOL DISTRICT

Account Number: 401317353

Page: 3 of 3

Bill Date: Feb. 02, 2005

Current Charges Summary

Service From Feb. 02, 2005

Monthly Charges	Qty	Rate	Amount
LAN/WAN Fiber Access	1 @	5,600.00	5,600.00
Total Monthly Charges			5,600.00
One-time Charges			
Late Payment Fee			54.74
Total One-time Charges			54.74

Total Current Charges	5,654.74
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Customer Service Contact Numbers

Residential Service 1-800-201-4099
Business Service 1-800-201-4102
Repair Service 1-800-824-2877
Payment Arrangements 1-888-646-0004
Payment or Account Balance 24 Hours/7 Days a Week 1-866-486-8528

Charge Detail

Local Service in Advance from FEB 02 to MAR 01

Product-ID: F34-930-2035 PROJECT NUMBER 50012882

Monthly Charges

** LAN/WAN Fiber Access	5,600.00	
Total Optional Features/Services		5,600.00
Total Monthly Charges		5,600.00

Total Current Charges For F34-930-2035	5,600.00
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Total Current Charges	5,600.00
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Total Tax, Fees and Surcharges	0.00
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Grand Total	5,600.00
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** Nonregulated Charge(s) - nonpayment for NONREGULATED SERVICES OR PRODUCTS may result in the disconnection or restriction of such services, and such delinquencies may be subject to collection. Nonpayment of toll charges may result in the disconnection of toll services, and such delinquencies may be subject to collection.

ATTACHMENT "B"

Telephone Service.

North Kitsap School District signed 5 year contracts with Sprint for PRI Services.

The proposal includes the possible addition of 1 PRI line to our existing 2 PRI lines.

Location/Address	# of lines	Line type	Account	Current Provider	Monthly
Poulsbo Junior High School 2003 NE Hostmark Street Poulsbo, WA 98370	3	PRI with DID	Unknown	Sprint	\$3,347.00
North Kitsap High School 1780 NE Hostmark Street Poulsbo, WA 98370					
North Kitsap School District Administration 18360 Caldart Avenue NE Poulsbo, WA 98370					

Lines could be located at any location in North Kitsap School District.

See Sprint Quote dated February 14, 2005 on next page:

See Sprint Invoices dated January 1, 2006.



Customer: North Kitsap Schools
Service: New PRI Service (Five Year Term)
Date: 14-Feb-05
Account Mgr: Chad Walters

Location	Acc No	Service Description	Qty	Amt	Total
Poulsbo Jr High		ISDN PRI T1	3	\$ 669.00	\$2,007.00
		DID Numbers	1000	\$1.00	\$1,000.00
		Estimated Taxes & Fees			\$ 340.00
		Total			\$3,347.00